

Nissha Co., Ltd.
Financial Results for FY2020.12 Q1 ended March 31, 2020 Presentation
Q&A Overview
(May 13, 2020)

Q1. What are the Q1 results and Q2 outlook for demands for smartphones and tablets in the Devices Business?

A1. Q1 results for smartphones exceeded both the previous year and the plan. And the results for tablets were equivalent to the previous year, but exceeded the plan. As for the Q2 outlook, demands for smartphones are anticipated to decline compared to Q1, and demands for tablets are expected to increase.

Q2. How much did the operating profit in Q1 improve from the initial forecast?

A2. The actual result was 2.0 billion JPY higher than the initial forecast.

Q3. What are reasons for the operating loss anticipated in Q2?

A3. The main reason is temporary expenses of approximately 2.1 billion JPY related to Measures to Strengthen Profitability (the Call for Voluntary Retirements). Another factor is decreasing in sales.

Q4. What is breakdown of temporary expenses of approximately 2.1 billion JPY related to Measures to Strengthen Profitability (the Call for Voluntary Retirements) by segment?

A4. It is currently under investigation.

Q5. What are reasons for H1 operating loss anticipated of 1.3 billion JPY in the Industrial Materials Business?

A5. The main factors are the recording of temporary expense for Measures to Strengthen Profitability (the Call for Voluntary Retirements) and demand decline for automotive due to the impact of COVID-19.

Q6. What is the status of improvement of profitability in the molding factory for Industrial Materials?

A6. Improvement is progressing.

Q7. Please tell us about concept of Nissha's M&A strategy under the economic crisis due to COVID-19.

A7. Our basic policy will not be changed due to COVID-19. We have focused on investing in medical devices and sustainable packaging materials in our efforts for optimizing the business portfolio. We are thinking to continue investing in these fields because products for these markets are becoming more and more important as essential business and will contribute to the development of our sustainability.